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JUN 12 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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June 12, 1998

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VIA HAND DELIVERY

Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Re: Notification of Ex Parte Presentation

Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in Michigan, CC Docket No. 97-137

Application by BellSouth for Provision of In-Region, Interlata Services in Louisiana, CC Docket No. 97-231

Application by BellSouth for Provision of In-Region, Interlata Services in South Carolina, CC Docket No. 97-208

Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98

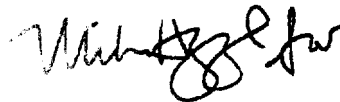
Dear Ms. Salas:

On behalf of Intermedia Communications Inc. ("Intermedia"), please take notice that on Thursday, June 11, 1998, Don Davis of Intermedia, Mike Hazzard of Kelly Drye & Warren LLP, and the undersigned met with Michael Pryor, Katherine Schroder, Jonathan Askin, Daniel Shiman, and Bill Bailey of the Common Carrier Bureau to discuss the Federal Communication Commission's ("Commission") authority to define unbundled network elements ("UNEs") by function. During the meeting, Intermedia also suggested that a functional approach to UNEs could help both the Bell operating companies and competitors work out functional solutions to unbundling loops served by integrated digital loop carrier. A copy of the handout used during the presentation is enclosed with this letter.

Magalie R. Salas, Secretary
June 12, 1998
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Because Intermedia's *ex parte* presentation may effect the merits and outcome of each of the above-referenced dockets, pursuant to Section 1.1206(b)(1) of the Commission's rules, Intermedia submits an original and two (2) copies of this *ex parte* notification for inclusion in the record of each of these proceedings.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jonathan E. Canis", written in a cursive style.

Jonathan E. Canis

Enclosure

cc: Michael Pryor
Katherine Schroder
Jonathan Askin
Daniel Shiman
Bill Bailey

UNE Definitions - Time to Re-Look

Donald C. Davis

Intermedia Communications

Assistant Vice President - Industry Policy

6/11/98

Existing Definitions

- Based upon an explicit assumption that UNEs would be combined by ILECs
- Based upon antiquated ILEC rather than modern CLEC architecture
 - Distributed switches
 - Analog plant and interoffice transmission
 - “Path” orientation
 - e.g., limited recognition of
 - Loop pair gain devices (DLC)
 - Fiber optics
 - Remote switches
 - Interoffice multiplexing
- Existing ILEC collocation requirements tie CLECs to this same outdated architecture even though ILECs themselves are utilizing “new” technology

“Architecture” Implications of Current UNE Definitions

- In Phase I Order in Docket 96-98, Commission recognized the need to allow evolution of new architectures:
 - fn. 520: ... our rules will provide new entrants with the opportunity to obtain access to a number of different variants of a particular element, and, thus they will facilitate the ability of the market to dictate network architectures.
- Commission desire to facilitate alternative architectures is being thwarted
 - ILECs are currently mandating CLEC architecture through requirements to collocate to utilize UNEs
- Commission can best address architecture issues through addition of UNE requirements for:
 - extended loops
 - multiplexing with transport facilities

Telecom Act Foundation

- Network Element: “... means a facility or equipment used in the provision of a telecommunications service. Such term also includes features, *functions and capabilities* that are provided by means of such facility or equipment ...”
 - Multiplexing provides means to consolidate loops/traffic
 - W/O access to loops/transport, you deny access to function
- Section 251(d)(2): “In determining what network elements should be made available for purposes of subsection (c)(3), the Commission shall consider at a minimum whether - ...
 - (B) the failure to provide access to such network elements would impair the ability of the telecommunications carrier seeking access to provide the services it seeks to offer.”
 - Failure to provide “extended loops” through multiplexing seriously impairs a CLECs ability to provide services

FCC: 96-98 Phase I Foundation

- Paragraph 230: We affirm our tentative conclusion in the NPRM that the 1996 Act requires the Commission to identify network elements that incumbent LECs must offer requesting carriers on an unbundled basis ...
- Paragraph 246: ... in addition to identifying unbundled network elements that incumbent LECs must make available now, we have authority to identify additional, or perhaps different, unbundling requirements that would apply to incumbent LECs in the future. ... Otherwise our rules might impede technological change ...
- Paragraph 285: Section 251(d)(2)(B) requires us to consider whether the failure to provide access to an element would “impair” the ability of a new entrant to provide a service it seeks to offer.

Compliance with Eighth Circuit Court Order

- “... the second sentence of subsection 153(29) substantially broadens the definition of ‘network element,’ ...”
- “Simply because these capabilities can be labeled as “services” does not convince us that they were not intended to be unbundled network elements.”
- “We believe that in some circumstances a competing carrier may have the option of gaining access to features of and incumbent LEC’s network through either unbundling or resale.”
- “... we think the FCC reasonably determined the “necessary” and “impairment” standards in subsection 252(d)(2) ...”

Intermedia Proposals

- Define extended loops as a required UNE
 - Definition: “a transmission facility between a CLEC’s point of interface and the network interface device at the customer premises”
 - Allow CLECs to request most economical architecture
 - Includes loop electronics
- Define multiplexing, with associated inputs and outputs, as a required UNE
 - Definition: Device (and associated information-carrying channels) which combines telecommunications transmission into a single broadband signal
 - Includes transport on both sides of device
 - E.g., multiplexer, DSLAM, DLC, routers